

ILLINOIS COMMERCE COMMISSION

ICC DOCKET NO. 07-0539

DIRECT TESTIMONY

OF

STAN E. OGDEN

Submitted On Behalf

Of

**CENTRAL ILLINOIS LIGHT COMPANY
d/b/a AmerenCILCO,**

**CENTRAL ILLINOIS PUBLIC SERVICE COMPANY
d/b/a AmerenCIPS and**

**ILLINOIS POWER COMPANY
d/b/a AmerenIP**

(The Ameren Illinois Utilities)

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TABLE OF CONTENTS

	Page
I. INTRODUCTION AND QUALIFICATIONS	1
II. PURPOSE AND SCOPE	1
III. THE AMEREN ILLINOIS UTILITIES' COMMITMENT TO ENERGY EFFICIENCY AND DEMAND RESPONSE	2
IV. THE AMEREN ILLINOIS UTILITIES' ENERGY EFFICIENCY AND DEMAND RESPONSE FILING	3
V. CONCLUSION	5
APPENDIX – STATEMENT OF QUALIFICATIONS.....	I

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13 **I. INTRODUCTION AND QUALIFICATIONS**

14 **Q. Please state your name and business address.**

15 A. My name is Stan E. Ogden. My business address is 300 Liberty Street, Peoria, IL 61602.

16 **Q. By whom are you employed and in what capacity?**

17 A. I am the Vice President of Customer Service and Public Relations for the Ameren Illinois
18 Utilities. A statement of my qualifications is attached as an Appendix to my Direct
19 Testimony.

20 **II. PURPOSE AND SCOPE**

21 **Q. What is the purpose of your direct testimony in this proceeding?**

22 A. My Direct Testimony will provide an overview of the Ameren Illinois Utilities' energy
23 efficiency and demand response filing, in compliance with Section 12-103 of the Public
24 Utilities Act (Act). This new section of the Act is part of P.A. 95-0481, which was

25 enacted in late August 2007. The Illinois General Assembly requires the Ameren Illinois
26 Utilities to submit and implement an Energy Efficiency Demand-Response Plan ("Plan"),
27 in accordance with certain guidelines. This filing furthers implementation of those
28 requirements, in compliance with the statute.

29 The Ameren Illinois Utilities welcome this opportunity to implement energy
30 efficiency and demand response initiatives, which have the potential to provide benefits
31 to commodity providers, reliability organizations, transmission companies, distribution
32 companies, and all retail electric customers. I also introduce other witnesses who are
33 sponsoring testimony and exhibits in support of the filing.

34 **III. THE AMEREN ILLINOIS UTILITIES' COMMITMENT TO ENERGY**
35 **EFFICIENCY AND DEMAND RESPONSE**

36 **Q. What will be the Ameren Illinois Utilities' commitment to energy efficiency**
37 **initiatives?**

38 **A.** The recent amendments to the Act provide the Ameren Illinois Utilities with an
39 opportunity to implement energy efficiency and demand response programs based on
40 specific program goals, objectives, criteria, and cost effectiveness metrics. The Act also
41 provides the Company with the opportunity for full cost recovery for implementing such
42 programs. As a result the Ameren Illinois Utilities have embraced the development of
43 energy efficiency measures and programs. Prior to the enactment of the legislation,
44 Ameren retained Mr. Val Jensen of ICF to identify energy efficiency measures that would
45 bring savings to our customers. This analysis and initial program design was shared with
46 Illinois stakeholders through a series of workshops beginning in August of 2007 and
47 extending through October. These workshops provided a meaningful forum for feedback

48 and education. Ameren recognizes these initial steps are only the beginning of a long-
49 term commitment to a collaborative process which will develop meaningful, cost
50 effective, long-term, sustainable energy efficiency and demand response initiatives. The
51 Ameren Illinois Utilities are also advancing energy efficiency initiatives for natural gas
52 customers in separate proceedings.

53 **Q. How does the Ameren Illinois Utilities' proposal further that commitment?**

54 A. We have furthered our commitment to energy efficiency initiatives in Illinois by
55 developing a robust set of programs for the residential, commercial and industrial
56 customer classes. The testimonies of Mr. Richard Voytas and Mr. Val Jensen provide
57 more detail on those programs and their expected results.

58 Second, it is imperative that the Ameren Illinois Utilities establish the necessary
59 infrastructure to effectively implement these programs throughout the utilities' service
60 territory.

61 Recent public comment or sentiment suggests that customers want the Ameren
62 Illinois Utilities to help customers save money on their energy bill. We know that by
63 virtue of the enactment of P.A. 95-0481 and the general views of our customers that they
64 are interested in lower energy process. With this filing and the subsequent
65 implementation of the energy efficiency and demand response programs, the Ameren
66 Illinois Utilities will help address this concern expressed by our customers.

67 **IV. THE AMEREN ILLINOIS UTILITIES' ENERGY EFFICIENCY AND DEMAND**
68 **RESPONSE FILING**

69 **Q. Please describe the Ameren Illinois Utilities' Energy Efficiency and Demand**
70 **Response filing.**

71 A. This filing is designed to address and comply with the requirements of the Act.
72 Specifically, the Act requires the Ameren Illinois Utilities to reduce load based on energy
73 delivered in the prior year by 0.2 percent in the year commencing June 1, 2008 and rising
74 to 2.0 percent in 2015. Achievement of these targets will be subject to a cost cap of 2.0
75 percent prior year total distribution revenues. The statute also requires the Ameren
76 Illinois Utilities to meet certain demand response targets.

77 **Q. What is the Commission's role in approving the Ameren Illinois Utilities' proposal?**

78 A. The Act requires the Ameren Illinois Utilities to jointly file, by November 15, 2007, a
79 Plan with the Commission. This Plan must be designed to meet the energy efficiency and
80 demand-response standards set forth in the Act (and discussed further in the testimony of
81 Mr. Richard Voytas) for the years 2008 through 2010. The Act requires the Commission
82 to seek public comment on the Plan and issue an order approving or disapproving each
83 plan within 90 days after its submission. The Act provides additional steps that the
84 Commission and utilities must take in the event a plan is not approved, in order to
85 develop a successful portfolio of energy efficiency and demand-response measures.

86 **Q. How does this filing comply with the Act?**

87 A. This filing provides testimony describing the Ameren Illinois Utilities' plan to comply
88 with the Act, as follows:

- 89 • The testimony of Mr. Voytas will describe the Ameren Illinois Utilities' specific
90 plans, in detail. Mr. Voytas will also provide a measurement and verification
91 analysis of those plans.
- 92 • The testimony of Mr. Jensen will describe the Ameren Illinois Utilities' energy
93 efficiency portfolio and analysis of the cost-effectiveness of this proposal, in
94 compliance with the statute.
- 95 • The testimony of Mr. Leonard Jones will describe the Ameren Illinois Utilities'
96 plan to implement the Act's rate cap requirements.

- 97 • The testimony of Ms. Vickiren Bilsland will describe the Ameren Illinois
98 Utilities' proposed rider recovery mechanism (Rider EDR), designed to recover
99 costs of implementing the proposed programs in accordance with the statute.

100 **Q. What potential benefits can the Ameren Illinois Utilities' customers expect to see**
101 **from implementing the proposed programs?**

102 A. As I understand, many of the societal benefits of implementing the proposed programs
103 are ensured by the terms of the statute. It is certainly also reasonable to expect net
104 benefits from the Ameren Illinois Utilities' proposal in the form of lower electricity
105 prices, increased efficiency, environmental benefits, and overall reduction in dependence
106 on fossil fuels.

107 **V. CONCLUSION**

108 **Q. Does this conclude your Direct Testimony?**

109 A. Yes.

APPENDIX – STATEMENT OF QUALIFICATIONS

I graduated from Bradley University in 1979 receiving a bachelor's degree. I joined Central Illinois Light Company (CILCO) in April of 1982 with a position in the Corporate Communications department. I advanced through various marketing, consumer services and sales positions in the company. For twelve years I oversaw the activities of CILCO's major business and industrial accounts. In 2003 following Ameren Corporation's acquisition of CILCO, I joined the Ameren Illinois leadership as the Manager of Customer Service.

As Vice President of Customer Service and Public Relations, I oversee the strategies and policies of the Contact Center operations, credit/collections, and billing activities for the Ameren Illinois Utilities. In addition, I oversee the activities of the Illinois Key Accounts, the largest electricity and natural gas consumers in the state. The community and public relations activities are also under my leadership.